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Proposed programme budget for the biennium 2006-2007

Administrative and financial implications arising from the report of the Standing Committee of the United Nations Joint Staff Pension Board

Report of the Secretary-General

Summary

The report of the Standing Committee of the United Nations Joint Staff Pension Board to the Assembly (A/60/183) contains the overall administrative expenses of the United Nations Joint Staff Pension Fund which have financial implications for the budget of the United Nations. In accordance with the purpose of rule 153 of the rules of procedure of the General Assembly, the present report identifies financial implications that would arise for the regular budget should the Assembly adopt the recommendations submitted to it in the report of the Standing Committee.

The additional appropriation that would be required under the regular budget for the biennium 2006-2007, arising from the recommendations of the Standing Committee and the Advisory Committee on Administrative and Budgetary Questions (A/60/7/Add.7) is estimated at $1,079,000, after recosting.

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I. Introduction

1. In the proposed programme budget for the biennium 2006-2007, provisions are made under section 1, Overall policymaking, direction and coordination (A/60/6 (Sect. 1)), for the participation of the United Nations in the costs of the secretariat of the United Nations Joint Staff Pension Fund.

2. In paragraph 1.31 of the proposed programme budget for the biennium 2006-2007, it has been indicated that at the time of the preparation of the programme budget proposals, the 2006-2007 administrative budget of the Fund had not yet been finalized and, when finalized, it would still be subject to review by its Standing Committee and the General Assembly; and that implications for the regular budget, if any, of action to be taken by the Standing Committee and the decision by the Assembly in connection with the 2006-2007 budget of the fund would be the subject of a statement of programme budget implications that would be submitted to the Assembly during its consideration of the report of the Standing Committee.

3. In paragraph 1.28 of the proposed programme budget for the biennium 2006-2007, it is indicated that the estimated requirements of $8,765,100 ($9,208,800 at 2006-2007 rates) relate to the share of the regular budget in the expenses of the central secretariat of the United Nations Joint Staff Pension Fund, excluding reimbursements anticipated from United Nations funds and programmes (the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the United Nations Children's Fund (UNICEF)).

II. Implications for the United Nations of the report of the Standing Committee of the United Nations Joint Staff Pension Fund

4. The report of the Standing Committee of the United Nations Joint Staff Pension Board (A/60/183) was issued in response to the proposals by the Chief Executive Officer of the Fund/Secretary of the Board. Based on the report of the Committee, the overall requirements amounting to $16,584,300 (at 2006-2007 rates) represent the United Nations share in the administrative and audit costs related to the Fund.

5. Based on the recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions (A/60/7/Add.7), the revised overall requirements relating to the United Nations would amount to $16,539,800 (at 2006-2007 rates).

6. In accordance with established procedures, this revised overall amount would be shared among the regular budget of the United Nations and the funds and programmes. As reflected in paragraph 1.28 of the proposed programme budget for the biennium 2006-2007, the distribution would require that an estimated 65 per cent of that amount would be attributable to the regular budget, with the balance to be reimbursed by the funds and programmes. However, based on the latest data on the number of participants in the Fund against which the percentage is derived, the above percentage would need to be revised to 62.2 per cent.

7. In applying the revised distribution rate of 62.2 per cent to the revised overall requirements of $16,539,800, an amount of $10,287,800 (at 2006-2007 rates) would

represent the revised regular budget share as compared to $9,208,800 (at 2006-2007 rates) already included under section 1 of the proposed programme budget. In this connection, an additional requirement in the amount of $1,079,000, reflecting the difference between the previously budgeted amount of the regular budget share and the revised requirements, would need to be included under section 1 of the proposed programme budget for 2006-2007.

III. Action required from the General Assembly

8. **Should the General Assembly approve the recommendations of the Standing Committee of the United Nations Joint Staff Pension Board and the relevant recommendations of the Advisory Committee, the revised overall requirements that would arise for the United Nations are estimated at $16,539,800 (at 2006-2007 rates). Of the total requirements for the biennium 2006-2007, the cost to the regular budget would amount to $10,287,800 and the balance of $6,252,000 would be reimbursed to the United Nations by UNDP, UNFPA and UNICEF.**

9. **Accordingly, should the General Assembly endorse the above recommendations, an additional appropriation of $1,079,000 would be required under section 1, Overall policymaking, direction and coordination, of the proposed programme budget for the biennium 2006-2007. The provision would represent a charge against the contingency fund.**